- DEPUTY SECRETARY ATWOOD'S MEMORANDUM OF OCTOBER 4,
 1989
 - DEPARTMENT SPENDS OVER \$4 BILLION ANNUALLY ON SYSTEM DEVELOPMENT AND MODERNIZATION
 - SHOULD NOT EXPEND RESOURCES TO DEVELOP AND MAINTAIN MULTIPLE SYSTEMS OR SOFTWARE TO MEET THE SAME FUNCTIONAL REQUIREMENTS
 - MORE EFFECTIVE WAY OF MANAGING INFORMATION WITHIN T DEPARTMENT
 - IMPROVE STANDARDIZATION, QUALITY AND CONSISTENCY OF DATA

TWO TIERS:

- EXECUTIVE LEVEL GROUP
 - COMPOSED OF INDUSTRY EXPERTS AND DOD OFFICIALS
 - REPORTS TO DEPUTY SECRETARY ATWOOD
- FUNCTIONAL GROUPS
 - COMPOSED OF DOD FUNTIONAL AND TECHNICAL EXPERTS
 - SIX FUNCTIONAL AREAS IDENTIFIED, MORE TO FOLLOW

Defense Management Report(DMR) Savings (\$ Millions)

CIM	FY91	FY92-95	Total 5 yrs <u>FY91-95</u>
Reduction Investment Net Reduction	288.1 (100.0) 188.1	3,181.9 (1,192.0) 1,989.9	3,470.0 (1,292.0) 2,178.0
CALS (Navy) Investment Savings	(154.0)	2,319.1	2,165.1
TOTAL	34.1	4,309.0	4,343.1

IMPLEMENTATION:

- IS COMPLEX
- IS A CHALLENGE
- WILL WORK